

**PUBLIC DISCLOSURE**

**August 29, 2012**

**MORTGAGE LENDER COMMUNITY INVESTMENT  
PERFORMANCE EVALUATION**

**UNITED SHORE FINANCIAL SERVICES, LLC  
d/b/a UNITED WHOLESALE MORTGAGE  
ML3038**

**1414 E. Maple Road  
Troy, MI 48083**

**DIVISION OF BANKS  
1000 WASHINGTON STREET  
BOSTON, MA 02118**

<b>NOTE:</b>	This evaluation is not, nor should it be construed as, an assessment of the financial condition of this mortgage lender. The rating assigned to this mortgage lender does not represent an analysis, conclusion or opinion of the Division of Banks concerning the safety and soundness of this mortgage lender.
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## GENERAL INFORMATION

Massachusetts General Laws chapter 255E, section 8 and the Division of Banks' (Division) regulation 209 CMR 54.00, Mortgage Lender Community Investment (MLCI), require the Division to use its authority when examining mortgage lenders subject to its supervision who have made 50 or more home mortgage loans in the last calendar year, to assess the mortgage lender's record of helping to meet the mortgage credit needs of the Commonwealth, including low- and moderate-income neighborhoods and individuals, consistent with the safe and sound operation of the mortgage lender. Upon conclusion of such examination, the Division must prepare a written evaluation of the mortgage lender's record of meeting the credit needs of the Commonwealth.

This document is an evaluation of the MLCI performance of **United Shore Financial Services, LLC d/b/a United Wholesale Mortgage (United Shore Financial)** prepared by the Division, the mortgage lender's supervisory agency, as of August 29, 2012.

## SCOPE OF EXAMINATION

An evaluation was conducted using examination procedures as defined by MLCI. A review of the Division's records, as well as the mortgage lender's public MLCI file, did not reveal any complaints.

The MLCI examination included a comprehensive review and analysis, as applicable, of United Shore Financial's:

- (a) origination of loans and other efforts to assist low and moderate income residents, without distinction, to be able to acquire or to remain in affordable housing at rates and terms that are reasonable considering the lender's history with similarly situated borrowers, the availability of mortgage loan products suitable for such borrowers, and consistency with safe and sound business practices;
- (b) origination of loans that show an undue concentration and a systematic pattern of lending resulting in the loss of affordable housing units;
- (c) efforts working with delinquent residential mortgage customers to facilitate a resolution of the delinquency; and
- (d) other efforts, including public notice of the scheduling of examinations and the right of interested parties to submit written comments relative to any such examination to the Commissioner, as, in the judgment of the Commissioner, reasonably bear upon the extent to which a mortgage lender is complying with the requirements of fair lending laws and helping to meet the mortgage loan credit needs of communities in the Commonwealth.

MLCI examination procedures were used to evaluate United Shore Financial's community investment performance. These procedures utilize two performance tests: the Lending Test and the Service Test. This evaluation considered United Shore Financial's lending and community development activities for the period of January 2010 through December 2011. The data and applicable timeframes for the Lending Test and the Service Test are discussed below.

The Lending Test evaluates the mortgage lender's community investment performance pursuant to the following five criteria: geographic distribution of loans, lending to borrowers of different incomes, innovative and flexible lending practices, fair lending, and loss of affordable housing.

Home mortgage lending for 2010 and 2011 is presented in the geographic distribution, lending to borrowers of different incomes and the Minority Application Flow tables. Comparative analysis of the mortgage lender's lending performance for the year of 2011 is provided because it is the most recent year for which aggregate HMDA lending data is available. The aggregate lending data is used for comparison purposes within the evaluation and is a measure of loan demand. It includes lending information from all lenders originating loans in the Commonwealth of Massachusetts reporting information pursuant to the Home Mortgage Disclosure Act (HMDA).

In addition to gathering and evaluating statistical information relative to a mortgage lender's loan volume, the MLCI examination also reflects an in depth review of the entity's mortgage lending using qualitative analysis, which includes, but is not limited to: an assessment of the suitability and sustainability of the mortgage lender's loan products by reviewing the lender's internally maintained records of delinquencies and defaults as well as information publicly available through the Federal Reserve Banks and through local Registries of Deeds and through other sources available to the examination team. The examination included inspection of individual loan files for review of compliance with consumer protection provisions and scrutiny of these files for the occurrence of disparate treatment based on a prohibited basis.

The Service Test evaluates the mortgage lender's record of helping to meet the mortgage credit needs by analyzing the availability and effectiveness of a mortgage lender's systems for delivering mortgage loan products, the extent and innovativeness of its community development services, and, if applicable, loss mitigation services to modify loans and/or efforts to keep delinquent home borrowers in their homes.

### **MORTGAGE LENDER'S MLCI RATING:**

**This mortgage lender is rated "Satisfactory."**

- The geographic distribution of the Lender's loans reflects a good dispersion in low- and moderate-income census tracts and it is reflective of the distribution of owner occupied housing in those census tracts.
- The distribution of borrowers reflects, given the demographics of Massachusetts, a good record of serving the credit need among individuals of different income levels, including low- and moderate-income.
- United Shore Financial offers a limited number of flexible lending products, which are provided in a safe and sound manner to address the credit needs of low-and moderate-income individuals.
- Fair lending policies and practices are considered reasonable.
- The Lender has minimal Community Development Services in the Commonwealth.

## **PERFORMANCE CONTEXT**

### **Description of Mortgage Lender**

United Shore Financial was established in Michigan in July of 1986. The Lender is engaged primarily in the residential mortgage banking business and currently operates nationally as United Wholesale Mortgage (wholesale channel), Shore Mortgage (consumer direct channel), and Capital Mortgage Funding (traditional retail channel). Within Massachusetts, the Lender operates primarily in the wholesale capacity doing business as United Wholesale Mortgage. The Lender was first licensed by the Division as a mortgage lender on November 5, 2002. The Lender's corporate headquarters is located at 1414 E. Maple Rd, Troy, Michigan and does not have a physical presence in Massachusetts. The Lender is also licensed in forty other states.

United Shore Financial offers first residential mortgage loans to consumers on a wholesale basis in Massachusetts and is predominantly engaged in the underwriting, funding and sale of residential, conforming first mortgages for transfer to secondary market investors such as Fannie Mae and Ginnie Mae, CITI, Chase and Freedom Mortgage. In addition to a focus in FHA-guaranteed loans, the Lender also provides a variety of conventional loan products as well as Jumbo loans, USDA and Harp 2.0, among others. United Shore Financial became FHA-approved on June 28, 1994, VA-approved on June 19, 1996, and Fannie Mae approved on July 29, 2009. During the examination period, the majority of the loans originated were sold with the servicing rights released. In 2012, the Lender began selling loans to Fannie Mae, Ginnie Mae and Freddie Mac and retaining the servicing rights, which are sub-serviced by Provident Funding Group.

During the examination period of 2010 and 2011, United Shore Financial originated 173 loans totaling \$39.7 million in Massachusetts.

### **Demographic Information**

The MLCI regulation requires mortgage lenders to be evaluated on their performance within the Commonwealth of Massachusetts. Demographic data is provided below to offer contextual overviews of economic climate along with housing and population characteristics for the Commonwealth of Massachusetts.

DEMOGRAPHIC INFORMATION*						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	N/A
Geographies (Census Tracts)	1,361	8.4	21.7	46.1	23.4	0.4
Population by Geography	6,349,097	5.8	20.5	47.6	26.0	0.1
Owner-Occupied Housing by Geography	1,508,248	1.6	12.8	54.0	31.6	0.0
Family Distribution by Income Level	1,587,537	20.5	17.7	22.3	39.5	0.0
Distribution of Low and Moderate Income Families throughout AA Geographies	606,419	10.0	29.4	46.2	14.4	0.0
Median Family Income	\$65,318		Median Housing Value		209,519	
2011 HUD Adjusted Median Family Income	\$84,900		Unemployment Rate		6.9%**	
Households Below Poverty Level	9.8%					

\*Source: 2000 US Census

\*\*as of 12/11

Based on 2000 Census data, the Commonwealth of Massachusetts has a total population of just over 6.3 million people and a total of 2.6 million housing units. Of the total housing units, 1.5 million or 57.5 percent are owner-occupied, 935,332 or 35.7 percent are rental-occupied, and 6.8 percent are vacant units.

There are 2.4 million households in the Commonwealth with a median household income of \$53,686 according to the 2000 Census. Over 40 percent of the households are classified as low- and moderate-income. In addition, 9.8 percent of the total number of households are living below the poverty level. Individuals in these categories may find it challenging to qualify for traditional mortgage loan products.

Households classified as “families” total slightly over 1.5 million. Of all family households, 20.5 percent are low income, 17.7 percent are moderate income, 22.3 percent are middle income, and 39.5 percent are upper income. The median family income according to the 2000 census was \$65,318. The Housing and Urban Development (“HUD”) adjusted median family income is \$83,413. The adjusted median family income is updated yearly and takes into account inflation and other economic factors.

The Commonwealth of Massachusetts contains 1,361 Census tracts. Of these, 114 or 8.4 percent are low-income; 295 or 21.7 percent are moderate-income; 628 or 46.1 percent are middle-income; 319 or 23.4 percent are upper-income; and 5 or 0.4 percent are NA or have no income designation. The five census tracts with no income designation are located in Bridgewater (a correctional facility), Boston (islands in Boston Harbor), Amherst (U MASS campus), Harvard (Fort Devens), and Grafton (Tufts Veterinary School). These Census tracts contain no housing units and will not be included in this evaluation since they provide no lending opportunities.

The median housing value for Massachusetts was \$209,519 according to the 2000 Census. However, recent figures from the Warren Group, publishers of the Banker and Tradesman, show the median price for a single-family increased to \$289,000 in October 2010, up 3.2 percent from \$280,000 in 2009. Fluctuating housing values have a direct effect on the types of financial products adequate for homeowners and property buyers.

The unemployment rate for the Commonwealth of Massachusetts as of December 2011 stood at 6.9 percent, down from 8.3 percent in December 2010 and the lowest since January 2009. Employment rates would tend to affect a borrower’s ability to remain current on mortgage loan obligations and also correlates to delinquency and default rates.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS**

### **LENDING TEST**

United Shore Financial's Lending Test performance was determined to be "Satisfactory" at this time. United Shore Financial's lending efforts are rated under the five performance criteria: Geographic Distribution, Borrower Characteristics, Innovative or Flexible Lending Practices, Fair Lending Policies and Procedures, and Loss of Affordable Housing. The following information details the data compiled and reviewed, as well as conclusions on the mortgage lending of United Shore Financial.

#### ***I. Geographic Distribution***

The geographic distribution of loans was reviewed to assess how United Shore Financial is addressing the credit needs throughout the Commonwealth of Massachusetts' low, moderate, middle, and upper-income Census tracts.

The mortgage lender's geographic distribution of loans is consistent with the distribution of owner occupied housing units for low-income geographies and significantly above for moderate-income geographies in the Commonwealth. With regard to performance compared to the aggregate, again consistent performance is noted in low-income geographies while the Lender performed above the aggregate in moderate-income geographies. Overall, United Shore Financial's distribution of loans reflects good distribution of loans in the Commonwealth.

The following table presents United Shore Financial's HMDA reportable loans as well as the 2010 and 2011 aggregate data (exclusive of United Shore Financial). In addition, the table also reflects the percentage of owner-occupied housing units in each of the Census tract income categories.

<b>Distribution of HMDA Loans by Income Category of the Census Tract</b>							
<b>Census Tract Income Level</b>	<b>% Total Owner-Occupied Housing Units</b>	<b>United Shore Financial 2010</b>		<b>Aggregate Lending Data 2010</b>	<b>United Shore Financial 2011</b>		<b>Aggregate Lending Data 2011</b>
		<b>#</b>	<b>%</b>	<b>% of #</b>	<b>#</b>	<b>%</b>	<b>% of #</b>
<b>Low</b>	1.6	3	2.7	1.3	1	1.6	1.3
<b>Moderate</b>	12.8	31	28.2	9.9	14	22.2	10.1
<b>Middle</b>	54.0	58	52.7	49.5	32	50.8	49.0
<b>Upper</b>	31.6	18	16.4	39.3	16	25.4	39.6
<b>Total</b>	<b>100.0</b>	<b>110</b>	<b>100.0</b>	<b>100.0</b>	<b>63</b>	<b>100.0</b>	<b>100.0</b>

*Source: 2010 and 2011 HMDA Data and 2000 U.S. Census*

As reflected in the above table, the highest concentration of residential loans was originated in middle-income census tracts for both 2010 and 2011, which is consistent with the 54.0 percent of the area's owner-occupied housing units are in middle-income census tracts.

The Lender's Massachusetts loan volume decreased from 2010 to 2011 due to changes in the number of brokers providing applications through their wholesale channel. The relatively low level of lending is reflected in the percentage distribution. Nevertheless, the geographic distribution of residential loans reflects a good dispersion throughout the Commonwealth and a willingness to lend in all geographies.

## **II. Borrower Characteristics**

The distribution of loans by borrower income levels was reviewed to determine the extent to which the Lender is addressing the credit needs of the Commonwealth's residents.

Although percentage are tempered by the overall low number of loans originated, United Shore Financial achieved an excellent record of serving the mortgage credit needs among borrowers of different income levels based on the area's demographics and a comparison to aggregate lending data in Massachusetts.

The following table shows HMDA-reportable loans to low, moderate, middle, and upper-income borrowers in comparison to the aggregate, and the percentage of total families within the Commonwealth in each respective income group.

<b>Distribution of HMDA Loans by Borrower Income</b>							
<b>Census Tract Income Level</b>	<b>% Families</b>	<b>United Shore Financial 2010</b>		<b>Aggregate Lending Data 2010</b>	<b>United Shore Financial 2011</b>		<b>Aggregate Lending Data 2011</b>
		<b>#</b>	<b>%</b>	<b>% of #</b>	<b>#</b>	<b>%</b>	<b>% of #</b>
<b>Low</b>	20.5	7	6.4	4.4	10	15.9	5.4
<b>Moderate</b>	17.7	39	35.4	15.3	22	34.9	15.4
<b>Middle</b>	22.3	26	23.6	22.7	18	28.6	22.3
<b>Upper</b>	39.5	17	15.5	42.8	13	20.6	41.4
<b>NA*</b>	0.0	21	19.1	14.8	0	0.0	15.5
<b>Total</b>	100.0	<b>110</b>	<b>100.0</b>	<b>100.0</b>	<b>63</b>	<b>100.0</b>	<b>100.0</b>

Source: 2010 & 2011 HMDA Data and 2000 U.S. Census \*Income Not Available

United Shore Financial's lending in 2011 to low- and moderate-income borrowers at 15.9 and 34.9 percent was well above the aggregate's percentage of lending at 5.4 and 15.4 percent, respectively. The Lender specializes in FHA loans which provide competitive interest rates and smaller down payments for low- and moderate-income first-time homebuyers and existing homeowners.

As shown in the above table, moderate-income borrowers accounted for the highest portion of total loans by United Shore Financial, with 35.4 and 34.9 percent originated in 2010 and 2011, respectively. The proportion of total loans to moderate-income borrowers exceeded the percentage of families as well as the aggregate lending in those income tracts for both years.

United Shore Financial's performance under this criterion is considered good and reflects the Lender's willingness and ability to lend to borrowers of all income levels.

## **III. Innovative or Flexible Lending Practices**

United Shore Financial offers a limited number of innovative or flexible lending products, which are provided in a safe and sound manner to address the credit needs of low- and moderate-income individuals or geographies.

The Lender is directly endorsed by the U.S. Department of Housing and Urban Development (HUD) to underwrite Federal Housing Administration (FHA) insured mortgages, as well as VA and USDA guaranteed loans. The FHA, VA and USDA products offered by United Shore Financial provide competitive interest rates and smaller down payments for low- and moderate-income first-time homebuyers and existing homeowners. During the review period of 2010 to 2011 the Lender closed 173 loans, of which 106 or 61.3 percent were government insured or



guaranteed products. Of the 106 FHA, VA and USDA loans closed during the examination period, 43.4 percent were to low or moderate-income borrowers and 33.0 percent were in low or moderate-income census tracts.

United Shore Financial also offers Home Affordable Refinance Program (HARP) 2.0; a federal government program designed to help underwater or near-underwater homeowners refinance into a fixed loan with a lower monthly payment. The program is designed for borrowers with a loan-to-value ratio of less than 125 percent and, beginning in 2012, for borrowers with a loan-to-value ratio of greater than 125 percent.

#### **IV. Fair Lending**

The Division examines a mortgage lender's fair lending policies and procedures pursuant to Regulatory Bulletin 1.3-106. The mortgage lender's compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. The review included, but was not limited to, review of written policies and procedures, interviews with mortgage lender personnel, and individual file review.

Fair lending is incorporated in United Shore Financial's policies and procedures. United Shore Financial's compliance with the laws relating to discrimination and other illegal credit practices was reviewed. The fair lending review was conducted in accordance with the Federal Financial Institutions Examination Council (FFIEC) Interagency Fair Lending Examination Procedures. No evidence of discriminatory or other illegal credit practices were identified.

United Shore Financial has established an adequate record relative to fair lending policies and practices. The Lender has a written Fair Lending Policy Statement. Included in this policy are the mortgage lender's efforts to eliminate discrimination in all aspects of lending, provide fair and equal consideration to every applicant, well as to provide guidance to United Shore Financial's employees on how to comply with fair lending policies and procedures.

United Shore Financial provides fair lending training to loan originators as part of Safe Act training and state specific licensing training, along with other applicable compliance training. All employees are provided with training appropriate to their job description and their responsibilities in fair lending issues. This includes information regarding both technical requirements that come into play, as well as the more substantive and subtle issues related to unintentional discrimination and quality of assistance.

All loans are monitored for compliance by an internal quality control unit that reviews samples of loan files before and after closing. The quality control team runs weekly reports to ensure processes are being followed and the Lender recently put in place a dedicated compliance team charged with validating data for HMDA purposes, reviewing loan files for quality control purposes, and generally ensuring policy adherence. Periodic independent audits are part of the internal control process.

Upon conclusion of the Fair Lending review, the Division's examination found no evidence of disparate treatment.

#### **MINORITY APPLICATION FLOW**

For 2010 and 2011, United Shore Financial received 343 HMDA-reportable loan applications from within the Commonwealth of Massachusetts. Of these applications, 41 or 12.0 percent were received from racial minority applicants, of which 18 or 43.9 percent resulted in originations. United Shore Financial received 22 or 6.4 percent of HMDA reportable applications from ethnic groups of Hispanic origin, of which 14 or 63.6 percent were originated.

Demographic information for Massachusetts reveals that the total ethnic and racial minority population stood at 18.12 percent of the total population in 2010. This segment of the population is comprised of 6.75 percent Hispanic or Latino and 11.38 racial minorities: 5.01 percent Black; 3.73 percent Asian; 0.18 percent American Indian; 0.03 percent Native Hawaiian/Other Pacific Islander; and 2.42 percent identified as Other Race.

Refer to the following table for information on the mortgage lender's minority application flow as well as a comparison to aggregate lenders throughout the Commonwealth of Massachusetts. The comparison of this data assists in deriving reasonable expectations for the rate of applications the mortgage lender received from minority applicants.

<b>MINORITY APPLICATION FLOW</b>						
<b>RACE</b>	<b>United Shore Financial 2010</b>		<b>2010 Aggregate Data</b>	<b>United Shore Financial 2011</b>		<b>2011 Aggregate Data</b>
	<b>#</b>	<b>%</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>%</b>
<i>American Indian/ Alaska Native</i>	2	0.9	0.1	0	0.0	0.1
<i>Asian</i>	7	3.3	4.8	5	3.9	4.6
<i>Black/ African American</i>	16	7.5	1.8	6	4.6	1.9
<i>Hawaiian/Pac Isl.</i>	0	0.0	0.1	0	0.0	0.1
<i>2 or more Minority</i>	0	0.0	0.1	0	0.0	0.1
<i>Joint Race (White/Minority)</i>	4	1.9	1.0	1	0.8	1.1
<b>Total Minority</b>	<b>29</b>	<b>13.6</b>	<b>7.9</b>	<b>12</b>	<b>9.3</b>	<b>7.9</b>
<i>White</i>	182	85.0	71.6	115	89.2	68.0
<i>Race Not Available</i>	3	1.4	20.5	2	1.5	24.1
<b>Total</b>	<b>214</b>	<b>100.0</b>	<b>100.0</b>	<b>129</b>	<b>100.0</b>	<b>100.0</b>
<b>ETHNICITY</b>						
<i>Hispanic or Latino</i>	11	5.2	2.1	9	7.0	3.9
<i>Not Hispanic or Latino</i>	183	85.5	76.4	114	88.4	73.2
<i>Joint (Hisp/Lat /Not Hisp/Lat)</i>	2	0.9	0.8	0	0.0	0.8
<i>Ethnicity Not Available</i>	18	8.4	20.7	6	4.6	22.1
<b>Total</b>	<b>214</b>	<b>100.0</b>	<b>100.0</b>	<b>129</b>	<b>100.0</b>	<b>100.0</b>

Source: PCI Corporation CRA Wiz, Data Source: 2000 U.S. Census Data

At 9.3 percent, United Shore Financial's performance was above the 2011 aggregate data for racial minority applicants, as were applications received from ethnic minorities. United Shore Financial received 7.0 percent of its applications from ethnic minorities while the aggregate received 4.7 percent.

## **V. Loss of Affordable Housing**

This review concentrated on the suitability and sustainability of mortgage loans originated by United Shore Financial by taking into account delinquency and default rates of the mortgage lender and those of the overall marketplace. Information provided by the lender was reviewed as were statistics available on delinquency and default rates for mortgage loans. Additionally, individual mortgage loans were tracked for their status through the Division's foreclosure database.

An extensive review of information and documentation, from both internal and external sources as partially described above, did not reveal lending practices or products that showed an undue concentration or a systematic pattern of lending, including a pattern of early payment defaults, resulting in the loss of affordable housing units. Further, delinquency rates were found to be consistent with industry averages.

## **SERVICE TEST**

The service test evaluates a mortgage lender's record of helping to meet the mortgage credit needs in the Commonwealth by analyzing both the availability and effectiveness of a mortgage lender's systems for delivering mortgage loan products; the extent and innovativeness of its community development services; and loss mitigation services to modify loans or otherwise keep delinquent home loan borrowers in their homes. Community development services must benefit the Commonwealth or a broader regional area that includes the Commonwealth.

United Shore Financial's Service Test performance was determined to be "Need to Improve" at this time.

### **Mortgage Lending Services**

United Shore Financial provides mortgage lenders services that are accessible to geographies and individuals of different income levels in the Commonwealth by originating government insured FHA, VA and USDA loans. These loans make up a large portion of business for United Shore Financial's Massachusetts homeowners. The Lender's customers can apply over the telephone and on the lender's website.

During the examination period United Shore Financial did not routinely service mortgage loans, since that time the Lender has begun to service loans through a sub-servicer. The review included an evaluation of loan mitigation and modification efforts. Lending practices and products reviewed did not show an undue concentration or a systematic pattern of lending resulting in mortgage loans that were not sustainable.

United Shore Financial is primarily a wholesale lender in the Commonwealth of Massachusetts. The Lender effectively provides mortgage lending services for home purchase and refinance transactions through third party originations (TPO) from approved Mortgage Brokers, Lenders and local Community Banks. Business Development Managers solicit business from TPO's throughout Massachusetts and applications are received from a pool of over 64 approved Brokers, Lenders and Small Community Banks which are processed at the Michigan wholesale office. The Lender also offers retail lending for borrowers who call the lender's main number. Applications are taken by a licensed loan officer and processed through the same internal underwriting and processing channels as wholesale applications.

### **Community Development Services**

A community development service is a service that:

- (a) has as its primary purpose community development; and
- (b) is related to the provision of financial services, including technical services

The Commissioner evaluates community development services pursuant to the following criteria:

- (a) the extent to which the mortgage lender provides community development services; and
- (b) the innovativeness and responsiveness of community development services.

There were a minimal number of community development services identified during the examination period. United Shore Financial does not participate in any community development services throughout Massachusetts. Since the Lender does not have an office location in Massachusetts, all services are offered from the Troy, Michigan office where United Shore Financial is in the business of originating FHA loan products and other products that meet the need of the Commonwealth's residents. These loan products assist all income categories and

provide opportunities to low and moderate income individuals to acquire or remain in affordable housing.

### **Qualified Investments**

A Qualified Investment for the purposes of this MLCI evaluation is a lawful investment, deposit, membership share, or grant that has as its primary purpose community development. The evaluation considered (1) the number of investments and grants, (2) the extent to which community development opportunities have been made available to the institution, and (3) the responsiveness of the institution's community development grants to the assessment area's needs.

United Shore Financial did not engage in any qualified community development investments in Massachusetts during the examination period.

Management is encouraged to employ a strong focus and a pro-active commitment in community development activities or investments that meet the definition of community development under the MLCI regulation. Other activities may include, but not necessarily limited to: financial literacy education initiatives targeted to low and moderate-income individuals; and foreclosure prevention counseling and/or providing technical assistance to community organizations in a leadership capacity.

## **PERFORMANCE EVALUATION DISCLOSURE GUIDE**

Massachusetts General Laws Chapter 255E, Section 8, and 209 CMR 54.00, the MLCI regulation, requires all mortgage lenders to take the following actions within 30 business days of receipt of the MLCI evaluation of their mortgage lender:

- 1) Make its most current MLCI performance evaluation available to the public.
- 2) Provide a copy of its current evaluation to the public, upon request. In connection with this, the mortgage lender is authorized to charge a fee which does not exceed the cost of reproduction and mailing (if applicable).

The format and content of the mortgage lender's evaluation, as prepared by the Division of Banks, may not be altered or abridged in any manner. The mortgage lender is encouraged to include its response to the evaluation in its MLCI public file.

The Division of Banks will publish the mortgage lender's Public Disclosure on its website no sooner than 30 days after the issuance of the Public Disclosure.